

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1720 - SB 2904**

February 23, 2020

**SUMMARY OF BILL:** Establishes that, of the \$11.00 fee for noting liens, encumbrances, or mortgages on a certificate of title, \$3.00 is to be retained by county clerks to be used for office supplies and equipment related to performing such duties.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Revenue –  
\$2,940,000/FY20-21 and Subsequent Years/Department of Revenue**

**Increase Local Revenue - \$2,940,000/FY20-21 and Subsequent Years**

**Assumptions:**

- Public Chapter 462 of 2019 placed a requirement on county clerks to perform notations of liens and encumbrances and extensions of mortgages on certificates of title. Prior to passage of Public Chapter 462, county clerks were authorized to perform such duties.
- Proceeds from the \$11.00 fee imposed on any such transaction are currently remitted to the Department of Revenue (DOR).
- According to the DOR, there is an average of 980,000 lien notations processed each year. This number is assumed to remain constant into perpetuity.
- The recurring decrease in state revenue and a corresponding recurring increase in local revenue is estimated to be \$2,940,000 (980,000 liens x \$3.00 fee).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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